Terms of Reference (TOR) of an Individual consultant (IC) to conduct a Feasibility Study on Community Based Tourism

POST TITLE: Individual consultant to conduct a Feasibility Study on Community Based Tourism

AGENCY/PROJECT NAME: Youth Employment and Innovation

COUNTRY OF ASSIGNMENT: Bhutan

- **a) Rationale / background and the objectives of the project.**

Bhutan’s tourism industry continued to grow in 2013 with a 10.25% increase over the previous year. This revenue significantly contributes to GDP receipts, hard currency reserves, and gender-friendly employment generation in the country, as well as creating significant forward and backward linkages with other sectors of the economy. The Royal Government of Bhutan (RGoB) continues to view tourism as a major engine of economic growth in the 11th Five Year Plan (FYP) period (2014-18).

Endowed with the allure of a rich living culture and pristine natural environment, Bhutan continues to gain momentum as an emerging high-end destination for nature enthusiasts anxious to explore the mountain biking, trekking, bird watching, rafting and many other outdoor adventure opportunities Bhutan has to offer. However, since Bhutan opened its borders to tourism in 1974, the vast majority of the benefits have accrued in the western portion of the country, near the main economic centers.

With this understanding, UNDP and Tarayana Foundation in consultation with the Tourism Council of Bhutan (TCB) aim to conduct a feasibility study for community based tourism (CBT) for several communities in eastern Bhutan. The potential of CBT development in the eastern Dzongkhags is quite promising due to the abundance of numerous natural attractions, with plenty of flora and fauna, different landscapes, unique tradition and culture and several other attributes that are essential elements for, and can form the base of, an attractive and successful ecotourism industry.

There have been several areas identified for eco-tourism development in the form of new trekking routes. As referred to in the Tourism Strategy and Development Plans 2013-2018, the specific objectives of the tourism sector are:

- Promote Bhutan as a unique, exotic, cultural and unspoilt destination;
- Maximize the use of resources and capacities;
- Improve the regional and local spread of benefits;
- Improve the quality of services;
- Develop and upgrade tourism human resources;
- Diversify and develop new tourism products;
- Increase community participation;
- Broaden the base of demand;
- Improve infrastructure.
The Royal Government of Bhutan has also identified tourism as one of the priority sectors under Rapid Investments Selected Enterprise programme in the 11 FYP period.

b) Briefly describe the context of the required services

Tarayana Foundation and UNDP in consultation with TCB proposes to conduct a feasibility study for opening up new ecotourism opportunities in Mongar, Lhuentse and Trashi Yangtse. Specifically, the study will focus on the following communities and trekking routes:

1. Mongar Dzongkhag:
The Lhuentse - Mongar - Trashi Yangtse route

2. Trashi Yangtse:
Rigsum goenpa to Lamdrak Orchi Trail

3. Lhuentse Dzongkhag:
Thrima – Khoma (via Baptong, Karphu, Goenpa Karp, Nyalamdung & Shawas, Timula)

The primary objective of the study is as follows:

- To determine the viability of developing eco-tourism products and experiences in the above identified areas/routes and
- To provide a framework and direction to develop programmes and projects for the eco-tourism in the above identified areas/routes.

c) Project context

It is very important for the benefits of tourism to be enjoyed as equitably as possible among Bhutan’s people. Additionally, one of the goals of RGoB is to decentralize tourism management and planning as outlined in the National Tourism Policy (NTP) and the Tourism Strategy of 2013-2018. Decentralization is aimed to increase community participation and resource management so that tourism can be developed in the most sustainable manner. This is why the feasibility study is so important. It must accurately identify and assess the human, infrastructure and natural resources available, and how the communities would manage these, in the context of going forward with a CBT project. The vision for Bhutan tourism is to foster:

**Community Based Trekking Routes**
The strategy of CBT development will add to the attractiveness of some trekking routes that do not currently rank among the most favoured treks in respect to views, natural beauty and/or other attractions. The element of being accommodated in villages where the local population is not only integrated in the hospitality service, but also shares in the economic benefit, will permit more successful marketing of such routes.

**Also, Bhutan’s Tourism Strategy calls for the development of Nature Based Tours:**

“Within the category of nature based attractions, Bhutan’s trekking routes present the most important product currently marketed. Besides trekking tours, some tour operators have started to develop and
sell new specialized tailor made programmes. However, new products like mountain biking, white water rafting, bird watching etc. remain small, niche markets.”

**Trekking**

With the opening of more trekking routes, there is a need to come up with a system of standardized trail signage throughout the country. Ideally, such signage would be developed in line with an overall tourism signage strategy. Increased trekking routes will lead to a subsequent increase in the number of junctions along those routes and, therefore, more possibilities for trekkers to get lost. Although tourist groups in the future – as is the case now - will not be permitted to trek without a licensed trekking guide, the risk of having trekkers ‘lost’ in the mountains could be minimized. Besides a standardised signage system, the expected developments will also create the need for good trekking maps. High quality trekking maps will help to ensure that trekkers will stay on the right trail.

**Bird Watching**

There are few products that suit Bhutan’s positioning as well as bird watching does. However, the present bird watching areas lie mainly along highways and forest roads, outside villages and towns. The lack of appropriate accommodation facilities or well managed campsites raises environmental concerns.

**Rafting and Kayaking**

There are 11 rivers open for white water sports, out of which only two – the Pho Chhu and Mo Chhu in Punakha – are used for rafting and sometimes for kayaking.

d) **Stakeholders for the project.**

The stakeholders of the project are the local government authorities, local communities, Tarayana, UNDP Bhutan, and Tourism Council of Bhutan.

e) **Risks and assumptions**

There are a significant number of challenges that has, and could continue to, hinder the development of successful CBT in the eastern portion of Bhutan. Not least of which, it is difficult to access, and tourists are often unwilling to spend 2-4 days in road transit, or fly across the country which takes away the joys of driving through it.

Additionally, other challenges include:

- the very low volume of tourists visiting rural areas which, in many scenarios, is insufficient to provide a regular or reliable income source and business incentive to households and local entrepreneurs from rural communities;
- a lack of rural community exposure to tourists and the tourism industry – and an associated lack of capacity to engage in entrepreneurial activity to meet market expectations and simultaneously exploit income and employment opportunities;
- the lack of tourism infrastructure at the community level will deter the tourists arrivals;
- the lack of opportunity for rural communities to engage directly in product development through a “free-market” tourism economy and the absolute necessity for them to engage through dialogue and negotiation with tour operators;
• a lack of qualified and practiced tourism-related professionals working in both the government and private sectors (staff from several hundred tour companies have likely never sold a tour while others, for example, lack skills and tools to work with local entrepreneurs, households and communities to develop products, itineraries and business-plans, or connect with outbound operators);
• a critical lack of trained guides able to service the envisaged volume of 100,000 arrivals;
• a critical lack of skilled labour engaged in the hospitality sector able to meet the needs of 100,000 tourists per year;
• the commercial imperative for most large and medium-sized local tour operators to conduct ‘business as usual’ to obtain their customer base, market share and business security – and the lack of incentives and know-how for these operators to develop alternative products and / or more equitable business models;

f. Scope of Work

The IC should most importantly gain an in-depth understanding of the community’s perception towards the possible development of CBT. Accurately identifying and analyzing their past experiences with tourism, their expectations of what changes tourism may bring, both positive and negative, how prepared the communities feel they are to handle the possible development including infrastructure development and maintenance, and the key resources they feel they must develop, are key indicators of this feasibility study of this CBT project.

The IC will provide an in-depth evaluation and analysis of the three proposed communities where the trekking routes will be located. He/She will conduct an extensive investigation, and research, to support future policy making decisions including programmes/projects required to support the ecotourism in the identified sites. The IC must expose the underlying weaknesses or strengths of the local communities to handle successful development of ecotourism. There should be a comprehensive feasibility study which includes an economic, cultural, human resource, infrastructure, operational and market research component to ascertain the potential challenges, and possible benefits that would accrue to the community, in a quantitative manner.

This includes, but is not exclusive to:

Proper tourist infrastructure: Hotels, home stays, proper bedding, toilets, showers, etc.

Human Resources: Available labour requirements, skills in hospitality, trekking expertise, fluency in English, other major tourist languages (Hindi, Japanese, German, Chinese, French, etc.). There is a large demand for skilled workers in the hospitality sector in the circuit tourism development plan, but skilled workers do not want to work in eastern Bhutan. Interviews with tourism suppliers in the Trashigang, Pemagatshel and Samdrup Jongkhar (TPS) circuit showed that not even a single hospitality staff in the entire TPS circuit has undergone tourism related training. Hotels and restaurants expressed difficulty attracting trained or skilled workers, as those who had availed trainings prefer to work in urban towns in western Bhutan or more touristic areas in central Bhutan. Whilst hotels and restaurants in Trashigang and Pema Gatshel employed unskilled national staff and provided basic in-house trainings, majority of the tourism workforce in Samdrup Jongkhar were of Indian nationalities.

Technological: Internet services, TV, radio, telephone networks, etc.
Medical: First-aid knowledge, adequate supplies for field dressings, access to road/airports in case of emergencies.

Adventure equipment: Rafts

In addition to the major feasibility components for the communities, the IC must also assess the trekking routes, and with local guides, determine the level of difficulty, possible safety issues, as well as the most promising trekking routes.

g. Expected Outputs and Deliverables

The IC should commence activities and the time-line for various deliverables is as shown in Table below:

<table>
<thead>
<tr>
<th>Deliverables/ Outputs</th>
<th>Estimated Duration to Complete</th>
<th>Review and Approvals Required</th>
<th>Schedule of Payment</th>
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<tbody>
<tr>
<td>Conduct desk review of tourism policy papers, stakeholder consultation meetings and formulate a work plan in consultation with Tarayana Foundation and UNDP</td>
<td>1st week from contract signing</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
<td>15% of the contract amount</td>
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<tr>
<td>Travel to Mongar, Lhuntse and Trashiyangtse</td>
<td>2nd week from contract signing</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
<td>25% of the contract amount</td>
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<tr>
<td>Conduct interviews and stakeholder consultation meetings with the local government authorities both at Dzongkhag and Gewog level, community members and relevant agencies</td>
<td>3-4th week from contract signing</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
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<tr>
<td>Consolidate, analyze inputs and present a draft report to Tarayana Foundation, UNDP, TCB and other relevant stakeholders</td>
<td>5-6th week from contract signing</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
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<td>Submit a draft report.</td>
<td>7-8th week from contract signing</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
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Debrief Tarayana Foundation, UNDP, TCB on the finding of the report and submit a comprehensive final report after incorporating feedback/comments from stakeholders

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<th>Week</th>
<th>Post</th>
<th>Description</th>
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<td>9th</td>
<td>Post</td>
<td>Written approval of the Portfolio Manager, Economic Integration and Innovation, UNDP</td>
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<td>60% of the contract amount</td>
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**h. Institutional Arrangement**

i. The Individual consultant shall work in close consultation with the Tarayana Foundation, UNDP and Tourism Council of Bhutan and other relevant key agencies;

ii. The individual consultant shall report to the Portfolio Manager, Economic Integration and Innovation, UNDP on day-to-day activities and submit daily/weekly/monthly reports as required and agreed in the work plan/time schedule.

**F. Duration of the Work**

i. The number of working days will be approximately 6 weeks including field visits, spread over a period over 60 days from the date of contract signing and

ii. The duration of the consultancy contract may be extended if required by UNDP in consultation with Tarayana Foundation;

**G. Duty Station**

The individual consultant will be based in Thimphu and will be attached with UNDP. However, the Individual consultant shall travel to Mongar, Lhuentse and Trashiyangtse to meet the local government authorities (both at the Dzongkhag and Gewog level), community members and other relevant stakeholders for data gatherings for the feasibility study.

**H. Qualifications of the Successful Individual Consultant**

- Master degree in Social Sciences/Social Work/Rural or Urban Development/Tourism preferably with 5 years of professional work experience in community development;
- Knowledge, skills and experience in conducting community based eco-tourism studies including regional/international experience;
- A good understanding of the tourism sector including the legislative frameworks;
- Adequate exposure and understanding of the tourism and environment sector;
- Flexibility and ability to work under pressure and interact with a wide range of people;
- A good understanding of the heritage sector and
- A good grasp of community dynamics;
- A good analytical and report writing skills;
- A good presentation and communication skills;
A good conceptual and critical thinking and
Excellent in human relations, coordination, planning and team work.

I. **Scope of Price Proposal and Schedule of Payments**

The Individual consultant is required to offer a Lump Sum fee for the assignment. The lump sum amount must be “all-inclusive”\(^1\). The schedule of payment for the services will be guided by the contract agreement.

J. **Recommended Presentation of Offer**

Interested individual wishing to take up the consultancy work should submit the following documents:

   I. Duly accomplished **Letter of Confirmation of Interest and Availability** using the template provided by UNDP;
   
   II. **Personal CV or P11**, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references;
   
   III. **Brief description** of why do you consider yourself as the most suitable for the assignment, and a **methodology** (including travel itinerary), on how you will approach and complete the assignment.
   
   IV. **Financial Proposal** that indicates the lump sum fee (all-inclusive)\(^2\).

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\(^1\) The term “All inclusive” implies that all costs (professional fees, travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal

\(^2\) The term “All inclusive” implies that all costs (professional fees, travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal
K. Criteria for Selection of the Best Offer

The evaluation of the Individual consultant will be based on Combined Scoring method – where the qualifications and methodology is given 70% weightage and financial proposal with 30% weightage. Following specific criteria shall be assessed:

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<tr>
<th>Criteria</th>
<th>Weight (%)</th>
<th>Max. Point</th>
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<tbody>
<tr>
<td><strong>Technical (70%)</strong></td>
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<tr>
<td>• Education qualification &amp; relevance</td>
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<td>20</td>
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<tr>
<td>• Knowledge, skills and experience in conducting community based eco-tourism studies including regional/international experience;</td>
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<td>30</td>
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<td>• Assessment of Methodology</td>
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<td><strong>Financial (30%)</strong></td>
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<td><strong>Total</strong></td>
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I. Approval

This TOR is approved by:

Signature
Name and Designation
Date of Signing